

PART 1 FOREIGN INFLUENCE

Chapter 5: Charlie Trie

Yah Lin (“Charlie”) Trie is a native of Taiwan who emigrated to the United States in 1974, when he was 25 years old. He later became an American citizen and settled in Little Rock, Arkansas, where he owned a Chinese restaurant patronized by then-Governor Clinton. A friendship developed between the two men which continued after Governor Clinton won the 1992 presidential election. Trie subsequently contributed and raised substantial sums of money for the Democratic National Committee (“DNC”) and the Presidential Legal Expense Trust (“PLET”). In April 1996, President Clinton appointed Trie to the Commission on United States-Pacific Trade and Investment Policy.

The Committee investigated the source of the substantial funds raised and contributed by Trie to the DNC and the funds he raised for the PLET. The Committee was particularly interested in whether any foreign funds were involved, in light of Trie’s business dealings with Ng Lap Seng (also known as Wu), a wealthy Macao businessman with ties to businesses in China. The Committee examined Trie’s appointment to the Commission. The Committee also examined Trie’s relationship with the Chinese government and his attendance with Wang Jun, a Chinese businessman, at a White House coffee. On January 28, 1998, the Department of Justice indicted Trie for conspiring to defraud the DNC and Federal Election Commission (“FEC”) by making and arranging illegal campaign contributions utilizing foreign funds.

FINDINGS

- (1) Charlie Trie contributed and raised substantial sums of money to benefit the DNC in order to gain access for himself and his associates to the White House and senior Administration officials.**
- (2) Trie and his businesses received substantial sums of money from abroad and used these funds to pay for some or all of the \$220,000 in contributions that Trie, his family and businesses made to the DNC.** The evidence before the Committee suggests that some of the contributions may have been illegal, and, in fact, Trie was recently indicted with respect to some of these contributions. Trie has pleaded not guilty. The DNC returned all \$220,000.
- (3) Trie and Wu used three individuals who were legally permitted to make political contributions -- Keshi Zahn, Yue Chu and Xiping Wang -- as conduits to make contributions to the DNC, in apparent violation of law.**
- (4) There is no evidence before the Committee that any DNC officials were knowingly involved in Trie’s misdeeds, but the DNC did not adequately review the source of Trie’s contributions and did not respond appropriately to warning signs of his improper activities.**

(5) The evidence before the Committee does not establish that the government of the People's Republic of China provided money to Trie or directed Trie's actions.

(6) The Presidential Legal Expense Trust, a private trust not involved in campaigns, acted prudently and responsibly in its dealings with Trie.

(7) There is no evidence before the Committee that Trie, Wu, or anyone associated with them had any influence or effect on U.S. domestic or foreign policy.

BACKGROUND

Charlie Trie, who fled the United States in late 1996 and remained abroad until February 1998, refused to be interviewed by or cooperate with the Committee. Much of the information before the Committee concerning Trie was compiled under the direction of Jerry Campana, a special agent detailed to the Committee from the Federal Bureau of Investigation and who testified before the Committee on July 29, 1997. On January 28, 1998, the Department of Justice indicted Trie for conspiring to defraud the DNC and FEC by making and arranging illegal campaign contributions utilizing foreign funds.¹ He returned to the United States in early February to answer the charges and surrendered to federal law enforcement agents.

Trie was born in Taiwan on August 15, 1949.² He emigrated to the United States in 1974 and later became a United States citizen. He eventually settled in Little Rock, Arkansas, where his older sister was in the restaurant business. Trie began as a busboy and eventually became co-owner with his sister of a popular Chinese restaurant in Little Rock known as Fu-Lin which was patronized by then-Governor Clinton.³ A friendship developed between the two men which continued after Clinton was elected President in November 1992.⁴

In 1990, Trie and his sister sold Fu-Lin, and Trie began exploring Asian business opportunities. He engaged in a variety of trading opportunities involving safe deposit boxes, chickens, cotton, and other products. Trie apparently was not successful in these business endeavors.⁵ Trie also undertook efforts to facilitate business ventures between firms in Little Rock and their counterparts in China. He arranged for a number of delegations of Chinese officials to come to Little Rock in order to promote business opportunities, and he escorted Arkansas business people to China.⁶

One of Trie's attempted business ventures involved renovating the Camelot hotel in downtown Little Rock. Trie enlisted two investors in an attempt to win the bid for the project. One of the investors, a foreign national, was Ng Lap Seng (Cantonese spelling), also known as Wu Li Sheng (Mandarin spelling), a Macao⁷ real estate tycoon. Although Trie and his group did not win the bid, Trie developed a business relationship with Wu that continued beyond that project.⁸ In October 1992, Trie incorporated a company called Daihatsu International Trading,

Inc., to pursue ventures with Asian businesses.⁹ Trie later opened branch offices of Daihatsu in Washington, D.C., at the Watergate complex, as well as offices in Beijing, Taiwan, and three other Asian cities. According to witnesses interviewed by the Committee, Trie's move to Washington reflected his hope that he could capitalize on his long-term friendship with the President by bringing Daihatsu's business to Washington.¹⁰

The Committee's investigation determined that Daihatsu was not a profitable enterprise.¹¹ Although Trie claimed in one media interview to have made \$1 million in 1993,¹² a Committee review of Daihatsu's corporate tax returns for 1992 through 1995 found that its gross income never exceeded \$250,000, its net income was negligible, and Trie was paid a company salary of about \$30,000 a year. A review of other Daihatsu records and Committee interviews with Charlotte Duncan, Daihatsu's bookkeeper, and Dewey Glasscock, Trie's accountant, also suggest that Daihatsu had meager, if any, profits. Moreover, Trie and his wife apparently had little income from other sources.¹³ The bank records for accounts maintained by three additional companies incorporated by Trie -- San Kin Yip (USA), Inc., San Kin Yip International Trading Corp., and America Asia Trade Center, Inc. -- suggest none had either earnings or ongoing business activity.

The Committee's investigation also found, however, that from 1994 to 1996, bank records for Trie's personal and business accounts show a steady stream of wire transfers from abroad totaling about \$1.4 million, including at least \$900,000 from accounts maintained by Wu or Wu-controlled companies.¹⁴ The Committee's analysis of these bank records indicate that Wu wired money from several foreign sources into three bank accounts maintained by or accessible to Trie. Trie then transferred the funds among six different domestic accounts.¹⁵ Charlotte Duncan stated that Maria Mapili, a Daihatsu employee familiar with these wire transfers, characterized the transfers from Wu to Daihatsu as "commissions" or "loans." However, in Duncan's view, Mapili never properly explained Daihatsu's entitlement to these funds. When she was interviewed by the Committee, Duncan was unable to identify the types of business Daihatsu transacted.¹⁶

TRIE'S DNC CONTRIBUTIONS AND FUNDRAISING

From 1994 to 1996, Trie, his family, and his businesses contributed a total of \$220,000 to the DNC.¹⁷ During the 1996 election cycle, Trie also acted as a volunteer fundraiser for the DNC and was eventually credited with raising about \$500,000 in contributions. To date, the DNC has returned all of the Trie-related contributions of \$220,000 and most of the \$500,000 attributed to him, making Trie -- after John Huang -- the source or solicitor of the second largest volume of DNC-returned contributions.¹⁸

Trie's DNC Contributions

Trie first began making significant contributions to the DNC in 1994.¹⁹ The records also show that in May and June 1994, Trie and his wife wrote three checks to the DNC for a total of \$100,000. FEC records show that Trie, his family, and his businesses contributed a total of

\$127,500 in 1994, \$50,000 in 1995, and \$29,500 in 1996.²⁰

On January 28, 1998, the U.S. Department of Justice indicted Trie and a business associate, Yuan Pei (“Antonio”) Pan, for conspiring to defraud the DNC and FEC in part by making improper contributions utilizing foreign money.²¹ Pan, a Taiwanese national, worked for both Trie and Wu.²² According to the indictment, in May 1994, one of the foreign companies Pan was associated with transferred \$100,000 to Trie’s personal bank account, which is the account that Trie used to make several contributions to the DNC in 1994 and 1995.²³ In October 1994, Wu wire-transferred \$100,000 to the account of San Kin Yip International Trading Co., a company that Trie had just established and which then made a \$15,000 contribution to the DNC later that month.²⁴ The indictment also cites several DNC contributions made from the bank account of Trie’s Daihatsu company, but does not cite specific deposits from Wu, Pan, or related companies into this account.²⁵

The indictment and the evidence before the Committee indicating that the bulk of money obtained by Trie and his companies since 1994 came from abroad raise serious questions about the legality of the \$220,000 in Trie-related contributions to the DNC. The indictment charges Trie with engaging in a criminal conspiracy to defraud the DNC and FEC in part “by contributing. . . to the DNC.”²⁶ In addition to this criminal charge, the Trie-related contributions may violate the Federal Election Campaign Act (“FECA”). For example, if Wu or Pan participated, directly or indirectly, in any of the contribution decisions involving the \$220,000, the resulting contribution might violate FECA’s prohibition against foreign contributions. If, in any instance, Trie or one of his companies acted as a mere conduit for a campaign contribution provided by Wu, Pan, or a related company, the resulting contribution might violate FECA’s prohibition against contributions in the name of another. A third possible FECA violation involves any corporate contribution by a U.S. subsidiary of a foreign corporation utilizing foreign funds. This violation apparently occurred at least once when, in October 1994, as described above, San Kin Yip International Trading Corp., a U.S. subsidiary of a foreign corporation controlled by Wu, contributed \$15,000 to the DNC just ten days after the company’s incorporation and prior to its generating any income in the United States. Wu has apparently admitted to funding the \$15,000 with money from abroad and a Committee analysis confirms that it appears to be an illegal foreign contribution.²⁷

Aside from the 1994 San Kin Yip contribution, given the multiple bank accounts and money transfers among Trie, Wu, Pan, and related companies, the evidence before the Committee is insufficient to establish the precise source of funds for many of the \$220,000 Trie-related contributions.²⁸ The Committee was also unable to obtain specific evidence on the role that Wu or Pan may have played in particular contribution decisions.²⁹ However, Campane testified that, in light of how little income was generated by Trie’s business ventures, it was his opinion that the entire \$220,000 was paid for with foreign funds provided by Wu or others.³⁰ While it is possible that Trie could show that, due to his status as an American citizen, some portion of the contributions met the requirements of federal election law,³¹ Trie’s flight from the United States and refusal to cooperate with the Committee’s investigation cast doubt on whether that showing

will be made.

In light of the troubling facts known at the time, and rather than contending it may keep a contribution until proven illegal, the DNC properly returned all of the \$220,000.³²

Trie's DNC Fundraising

In addition to contributing to the DNC, beginning in 1995, Trie began to raise substantial funds for the DNC, primarily from the Asian-American community. Trie often worked with John Huang, although, unlike Huang, Trie was a voluntary, unpaid fundraiser for the DNC, rather than a paid employee.³³ Trie's fundraising efforts appear to have begun around the time of a November 1995 inaugural fundraiser for the Asian Pacific American Leadership Council ("APALC"), a newly established DNC organization which, among other functions, sought to raise funds from the Asian-American community.³⁴ In 1996, Huang organized several DNC fundraisers targeting the Asian-American community; Trie was active in most.

The Trie indictment charges him with conspiring to defraud the DNC and FEC in part by "channel[ing] foreign money to the DNC through the use of straw or conduit contributions"; "conceal[ing] the source of the money contributed by reimbursing conduits in cash and using multiple bank accounts;" and "caus[ing] the DNC to file false campaign finance reports with the FEC."³⁵ Many of the alleged conduit contributions described in the indictment appear to be associated with the DNC fundraising efforts that Trie undertook.

In February 1996, in connection with his first event as a paid DNC fundraiser, Huang organized and Trie co-chaired an APALC fundraiser at the Hay Adams Hotel in Washington. This event, which brought in about \$716,000,³⁶ was described in the press as "an unqualified financial success" raising "much more than the party had ever raised from the Asian-American community."³⁷ Trie sat next to the President at the head table. Wu attended the event as Trie's guest. Included among the contributions attributed in DNC records to both Trie and Huang in connection with that event were checks totaling \$25,000 from Yue Chu and Xiping Wang. These contributions are described in more detail below. Another check attributed jointly to Trie and Huang in connection with this event was for \$12,500 from Keshi Zahn, which appears to be identified in the indictment as an illegal conduit contribution.³⁸ While Zahn maintains that she paid for this contribution with her own money, her association with Trie and Wu, involvement with the Chu and Wang checks, and bank records tracing the movement of funds over the course of a week from Trie to Zahn to the DNC provide convincing evidence that Trie and Wu supplied the funds for her contribution.³⁹ The DNC has returned the Chu, Wang, and Zahn contributions.⁴⁰

In May 1996, Huang organized and Trie co-chaired a fundraiser at the Sheraton Carlton Hotel in Washington, an event which raised about \$579,000.⁴¹ Trie again sat next to President Clinton at the head table. Trie and Huang were jointly credited in DNC records with obtaining the largest single contribution at the fundraiser, \$325,000 from Yogesh K. Gandhi.⁴² Gandhi told the Committee in a staff interview that a friend of his from Houston had alerted him to the Asian-

American fundraiser that would be taking place in Washington.⁴³ Gandhi said that Trie visited him at his hotel on the day of the event and suggested a contribution of \$500,000 for Gandhi and an entourage of 25 individuals to attend the dinner. According to Gandhi, he negotiated with Trie and ultimately provided a check for \$325,000 in exchange for 26 tickets to the event. Since Huang received credit for the contribution, Trie presumably presented the check to Huang who passed it on to the DNC.⁴⁴ This \$325,000 contribution accounts for about half of the total DNC contributions attributed to Trie's fundraising efforts. The DNC later returned the contribution after published reports that Gandhi had claimed poverty in a California legal action, and Gandhi declined DNC requests to explain the source of the \$325,000. The Gandhi check is not addressed in the Trie indictment.

In July 1996, Trie assisted Huang with a DNC APALC gala fundraiser at the Century Plaza Hotel in Los Angeles.⁴⁵ President Clinton attended, and the event raised about \$368,000.⁴⁶ James Riady and Ted Sioeng, businessmen from Indonesia, sat at the head table next to the President, and a number of other foreign nationals attended as guests. None of the checks attributed to Trie in connection with the event has been identified as problematic; none appears to be addressed in the Trie indictment.

In August 1996, on the day of a Radio City Music Hall fundraiser in New York City celebrating President Clinton's 50th birthday, Trie delivered to the DNC contribution checks totaling over \$100,000, allegedly to help Huang who had been asked to raise hard money contributions in connection with this event.⁴⁷ Apparently, for each of these checks, DNC tracking records identified Trie as the "solicitor" and Huang as the "DNC contact."⁴⁸ After media reports began to raise questions about some of the checks, the DNC investigated and returned several due to unresolved concerns about the donors.⁴⁹ Additional questions about the checks arose when a Committee review of bank records determined that, less than two weeks earlier, on August 7, 1996, \$200,000 had been wire-transferred from a bank account in Macao to a bank account in Washington, D.C., to which Trie had access.⁵⁰ The January 1998 Trie indictment charges that, on or about August 15, an unidentified co-conspirator wire-transferred \$80,000 from the Trie account in Washington to a bank account in California, and that on the same day Trie's business associate, Pan, "received \$80,000 in cash."⁵¹ The indictment charges that Pan then used these funds to solicit five conduit contributions to the DNC totaling \$40,000, which Pan reimbursed with cash.⁵² The indictment charges that Trie also personally solicited two conduit contributions to the DNC totaling \$20,000, which he reimbursed with cash.⁵³ While the Committee did not obtain independent evidence on these alleged conduit contributions or on Pan, the indictment and the evidence before the Committee regarding other conduit contributions involving Trie provide reason to believe that Trie was involved in a number of conduit contributions to the DNC utilizing foreign funds.

CHU AND WANG CONTRIBUTIONS

The Committee received detailed testimony about \$25,000 contributed to the DNC and \$3,000 contributed to the Democratic Senatorial Campaign Committee ("DSCC"), a division of

the DNC. The contributors of record are Yu Chu and Xiping Wang, two women who were born in China, are related by marriage, and are both legal permanent residents of the United States.⁵⁴ Both testified before the Committee pursuant to grants of immunity from criminal prosecution, and their contributions are further discussed in Chapter 21 of the Minority Report.

An analysis of FEC, DNC, and bank records, together with testimony from Campana, Chu, and Wang, show that on November 14, 1995, Chu wrote a check for \$2,000 to the DSCC and a \$1,000 check payable to Keshi Zahn. Chu testified that she provided the checks at Zahn's request and did not know at the time that she was making a campaign contribution.⁵⁵ The next day, November 15, 1995, Zahn reimbursed Chu with a check for \$3,000 drawn on a joint account at Riggs Bank shared by Wu and Trie.

On February 19, 1996, again at Zahn's request, Chu wrote a check for \$7,500 and a check for \$12,500 payable to the DNC. Chu was told by her husband, Ming Chen, who is employed by Wu at a restaurant in Beijing, that Wu wanted to visit the White House and this money would help him "buy a ticket."⁵⁶ Chu understood that the cost was \$25,000, but they had sufficient funds to provide only \$20,000. They asked Chen's cousin, Xiping Wang, for the remaining \$5,000. Wang made out a check in that amount to the DNC. All three contributions were reimbursed by Zahn with checks drawn on the joint account at Riggs Bank. These three contributions were later attributed to Trie and Huang in connection with the February 1996 Hay Adams fundraiser.

The evidence is convincing that Trie and Wu, with assistance from Zahn, used Chu and Wang as conduits to make \$25,000 in contributions to the DNC as well as \$3,000 in contributions to the DSCC. Their contributions do not appear to be included in the Trie indictment, presumably due to the immunity from prosecution granted by the Committee.

The Committee's investigation found no evidence that, at the time of the contributions, anyone at the DNC or the White House knew or had reason to know that the women were being used as conduits.⁵⁷ Both Chu and Wang are legal permanent residents who are eligible to make campaign contributions, and their checks were drawn on local U.S. banks in amounts which were substantial, but not so large as to trigger special inquiry. Neither woman had any contact with the DNC or White House; neither even understood that she was making a campaign contribution or that federal election law prohibits contributions in the name of another.⁵⁸ Neither the DNC nor the White House had access to or was aware of the bank records demonstrating the reimbursements.⁵⁹ The Trie indictment does not cite any facts suggesting that anyone at the DNC or the White House was aware of Trie's misconduct with respect to these or any other conduit contributions.⁶⁰

DNC AWARENESS OF TRIE'S ACTIVITIES

The evidence before the Committee indicates that the DNC did not, and had no reason to, suspect that the contributions made by Trie, his family or his businesses should be investigated.

Trie was an American citizen and eligible to contribute. He had the appearance of a successful businessman. He had prospered in the restaurant business in Arkansas and moved into international business ventures that drew upon his familiarity with Asian business and culture. He maintained offices at an expensive location in Washington and several cities abroad. He was a business associate of Wu, a wealthy international businessman with successful operations in several countries. Trie pledged and produced substantial sums to the DNC. Together, these facts indicate that the DNC could reasonably have believed his contributions were legitimate and that there was no reason to investigate them.

Moreover, in late 1995, Trie gave written permission for the Federal Bureau of Investigation to investigate his background in connection with his possible nomination to a commission. The FBI concluded its work, and in February 1996, the White House legal counsel's office determined that no problems had been found that would bar his nomination.⁶¹ The successful completion of the FBI background investigation is an additional indication that, at the time, there was little or no evidence of misconduct by Trie. A few months later, as explained below, the Presidential Legal Expense Trust informed First Lady Hillary Clinton and White House Deputy Chief of Staff Harold Ickes that Trie had raised a considerable amount of money for the Trust. In May, the Trust informed Ickes and others that it had determined that the contributions had been solicited from American citizens belonging to a Buddhist religious organization and that it was planning to return them. None of the White House officials provided this information to the DNC; Ickes has testified that he did not realize at the time that Trie was raising funds for the DNC.⁶² DNC Chairman Donald Fowler has said that "[i]f we had known about the problems with Trie earlier, we could have done something."⁶³

The Committee also heard testimony that Trie probably had "no particular knowledge of campaign financing laws."⁶⁴ No evidence before the Committee indicates whether Huang, who worked with Trie at times, had informed Trie about election law requirements. Trie has told the media that he was unaware at the time that U.S. companies may not use funds from abroad to pay for campaign contributions, but must generate the funds within the United States.⁶⁵ On the other hand, Trie's use of conduits for DNC contributions indicates, not only an awareness of restrictions on contributions by foreign nationals, but also a willingness to try to circumvent those restrictions. The Trie indictment alleges a "knowing" conspiracy by him to defraud the DNC; it does not charge the DNC with any wrongdoing nor does it cite any facts suggesting that the DNC or anyone at the White House was aware of Trie's misconduct.⁶⁶

TRIE'S FUNDRAISING FOR THE PRESIDENTIAL LEGAL EXPENSE TRUST

The Presidential Legal Expense Trust ("PLET") was established on June 28, 1994, in order to collect funds to defray the costs of President Clinton's private litigation. Donations to the Trust are not election-related contributions, and they are not subject to federal election law or regulations. The Trust is a private entity governed by the legal requirements that govern private trusts in the District of Columbia, and by the trust's self-imposed guidelines.

The executive director of the Trust, Michael Cardozo, is an attorney who works at G. William Miller & Company, a financial services company in Washington, D.C. He is one of nine trustees who come from both political parties and share a wealth of legal, ethical and government experience. The trustees were the Reverend Theodore M. Hesburgh, Nicholas de B. Katzenbach, John Brademas, Barbara Jordan, Ronald Olson, Elliot Richardson, Michael Sovern, John Whitehead, and Michael Cardozo.⁶⁷ The establishment of the trust was challenged in court, and its legality was upheld.⁶⁸ Furthermore, the Office of Government Ethics, an independent federal agency that oversees ethics issues for the executive branch, approved the trust's guidelines. The director of the Office of Government Ethics concluded on July 22, 1994, that the establishment of PLET "does not and will not violate any of the conflict of interest or gift statutes or the administrative standards of conduct provisions that are applicable to the President."⁶⁹

There are no laws that govern the establishment and administration of a private presidential trust except for those laws that concern presidential activity and gifts to the presidents generally. Despite the absence of federal law regulating the administration of the Trust, the Trust voluntarily undertook to impose very strict guidelines regarding eligible donors and disclosure. It determined that a donor must be a "natural person" to be eligible to give. Political action committees and corporations could not contribute, nor could federal employees. The Trust would not accept donations greater than \$1,000. This amount is significantly lower than the \$5,000 limit on expense trust contributions for members of the House, and the \$10,000 limit for Senators.⁷⁰

Each quarter the Trustees were required to notify the President and Mrs. Clinton in writing of the names and addresses of the contributors. These quarterly contribution lists were not public.⁷¹ The Trustees, however, were required to disclose publicly the identity of all donors to the Trust at least semi-annually.

In 1996, Charlie Trie attempted to present the Trust with at least \$530,000 in contributions raised primarily from members of a religious order.⁷² These contributions were controversial, although not illegal, and, as discussed below, were ultimately rejected by the Trust. None of the donations presented to the Trust is the subject of charges in the recent Trie indictment.

Trie's March 21, 1996 Meeting with Cardozo

On March 20, 1996, Charlie Trie called Michael Cardozo to arrange for a meeting.⁷³ Cardozo, who had never heard of Trie, suggested that they discuss matters over the telephone. Trie, however, insisted on a meeting,⁷⁴ and Cardozo agreed to see him the next day.

At the meeting, Trie began by explaining that he was from Little Rock and was a friend of the President. He gave Cardozo some personal background about emigrating from Taiwan and how he came to be in the restaurant business in Little Rock. He told Cardozo that one of those restaurants was fairly close to the state capitol and was frequented by then-Governor Clinton, which explained how Trie had become friendly with him.⁷⁵

Trie told Cardozo that he had learned about the President's growing legal bills and had heard about the Trust from Susan Levine,⁷⁶ an acquaintance of Cardozo's wife.⁷⁷ Levine had been an aide to Mack McLarty, the President's Chief of Staff, and had worked at the DNC.⁷⁸ After reading about the President's legal bills, and learning about the Trust, Trie called PLET and was sent a fact sheet that outlined the Trust's donor guidelines.⁷⁹

According to Cardozo, Trie then leaned down and picked up a manila envelope that was sitting against his chair. He opened it up, turned it over, and a pile of checks and money orders spilled out. Trie then said, "I have brought you about \$460,000 in contributions to the Legal Expense Trust. . . . And I want to assure you that all of these people are U.S. citizens and all of them comply with your guidelines. . . . I am familiar with your guidelines and these meet your requirements."⁸⁰ Cardozo testified that Trie seemed proud that all of these contributions were from citizens.⁸¹

In addition to his comment that all of the donors were U.S. citizens,⁸² Trie pointed out that Social Security numbers were provided on the checks and money orders.⁸³ Cardozo knew that having a Social Security number was not evidence of U.S. citizenship. At that point, however, his concern was less about the citizenship of the donors, and more about how the funds had been collected.⁸⁴

Trie told Cardozo that he was not a contributor himself because he thought that he might become a federal government employee.⁸⁵ Trie also stated that he was not seeking recognition from the Clintons, but rather was raising money for the Trust out of his personal affection for them.⁸⁶

Cardozo telephoned his assistant, Sally Schwartz, who worked in an office nearby. He wanted a witness to this discussion and wanted to make sure that Trie understood the Trust's disclosure process.⁸⁷ He asked Schwartz to bring a copy of the last financial report, a list of contributors, and a contributor guidelines sheet.⁸⁸ When she came to Cardozo's office, he told her he did not know Trie, that Trie had called to make an appointment, and had come to the meeting with these contributions.⁸⁹

Cardozo was concerned about the contributions because PLET had received other bundled contributions, but nothing of this magnitude.⁹⁰ The money Trie brought in was between a third and a half of the total contributions to date, and the average contribution brought in by Trie was about \$900 compared to between \$100 and \$200 for other contributions.⁹¹

Trie left for a lunch meeting, saying that he would return that afternoon to retrieve any defective checks so that he could get them corrected.⁹² Cardozo and Schwartz then tried to organize a conference call of the trustees and began to review the checks.⁹³ Cardozo wanted to do this before Trie's return because "if somebody brings you an envelope or a bag with almost half a million dollars in it, you better advise the people with whom you are associated in a

particular endeavor, meaning your counsel and at least the co-chairs of the trust.”⁹⁴

Investigation into the Contributions

Schwartz began investigating the donations after Trie left for lunch. She initially went through the contributions and pulled out those that on their face did not meet the Trust’s donor guidelines.⁹⁵ She removed some for exceeding the \$1,000 limit. Some of the money orders were pulled because they did not have names or addresses.⁹⁶

Cardozo held a conference call with trustee Nicholas deB. Katzenbach and counsel M. Bernard Aidinoff. They decided that those checks and money orders that were facially appropriate should be delivered to the bank for processing. They also decided that the Trust would follow its normal procedures of depositing the checks and “[hold] them in suspension” until the contributions were reviewed for acceptability or rejection.⁹⁷ They agreed to talk later that day, when they could reach Father Theodore Hesburgh, one of the trustees.⁹⁸

When Trie returned from lunch, those contributions that appeared to be eligible were put into an envelope addressed to the Trust’s lock box address.⁹⁹ Sally Schwartz escorted Trie to the executive banking section at a branch of NationsBank.¹⁰⁰ The Trust returned approximately \$70,000 to Trie that day; about \$380,000 in contributions from about 400 individuals were deposited.¹⁰¹ According to Cardozo, about 80 percent of the contributions were in the form of personal checks and that “15 to 20 percent, at most” of these contributions were in the form of money orders, some of which were sequentially numbered.¹⁰²

There was a second conference call that day with Hesburgh and Katzenbach¹⁰³ and subsequent calls among the trustees over the next few days.¹⁰⁴ The Trustees agreed that Cardozo should seek an appointment with either the President or the First Lady to verify what Trie had said about himself and his relationship with the Clintons.¹⁰⁵

On April 4, 1996, Cardozo met with Hillary Clinton and Harold Ickes, the White House Deputy Chief of Staff, to brief them on the contributions and to check on Trie’s assertion that he was a friend of the Clintons. At first, Mrs. Clinton did not recognize Trie’s name, but later asked if he was “the guy that owns the Chinese restaurant near the [state]Capitol.”¹⁰⁶

Schwartz began contacting the contributors to determine which of the contributions the Trust could accept. In a memorandum dated May 9, 1996, summarizing her findings, she wrote that all of the contributors contacted identified themselves as U.S. citizens; their responses to her questions were “open, unrehearsed, credible”; and most supported the President as “a very good man” and “a man of peace” and wanted “to help the President.”¹⁰⁷ She also found that Trie had not personally solicited the contributions, and most contributors had heard about the Trust through “meditation groups of Suma Ching Hai.”

The Trustees hired an investigative firm, the Investigative Group International (“IGI”), to examine the contributions more closely.¹⁰⁸ Cardozo testified that the purpose was not to investigate Trie, but rather to determine whether the contributions were eligible under the Trust’s guidelines.¹⁰⁹ He said that the Trustees determined the focus of the investigation without input from anyone at the White House. The Trust also opted not to return the checks immediately because, according to Cardozo, “the trustees have a fiduciary responsibility to receive eligible contributions to the Trust and for the most part, these appeared to be eligible contributions, at least on the representation of Mr. Trie.”¹¹⁰

A meeting of the Trustees was scheduled for April 22. A few days before that meeting Trie brought additional contributions, allegedly totaling about \$179,000, to Cardozo’s office.¹¹¹ Cardozo told him that the Trust was still investigating the eligibility of the first group of donations and therefore could not accept this second group.¹¹² Trie accepted this position.¹¹³ At this same meeting, Trie asked Cardozo if his firm was interested in helping him market novelty products manufactured in Asia.¹¹⁴ Cardozo told him that his firm provided financial services, not marketing, and could not help him in this venture.¹¹⁵

On May 17, 1996, Trie visited the PLET offices a third time and asked to meet with Cardozo. Cardozo declined, and Schwartz met with Trie.¹¹⁶ Trie presented additional checks, allegedly totaling about \$150,000, some or all of which may have been included in the second set of checks he had presented the prior month.¹¹⁷ The Trust declined to accept any of the checks.¹¹⁸

IGI’s investigation confirmed that many of the donors were members of Suma Ching Hai, a Buddhist sect based in Taiwan. The investigation also determined that the sect is controversial and that some critics have characterized it as a cult, raising questions about the voluntariness of the contributions.¹¹⁹ Of the 27 contributors interviewed by IGI, many affirmed that their donation was voluntary; some claimed to have no knowledge of Ching Hai; and one stated that she had been reimbursed by Ching Hai for her contribution.¹²⁰

The Trust’s Decision to Reject the Contributions

After receiving the IGI report in May 1996, the Trustees discussed whether to accept the contributions. Schwartz testified that usually, the Trustees took “people at their word” regarding the voluntary nature of their contributions.¹²¹ The Trustees decided, however, that they were confronting a unique situation and that it would be extremely difficult to determine on an individual basis which of the many contributions were truly voluntary.¹²² Despite the fact that many of the contributions appeared to meet the Trust’s requirements, the Trustees decided to treat all of the contributions in the same manner by returning them to the donors.¹²³

As a result, all of the money was returned to the donors in June 1996.¹²⁴ Letters were sent to the donors on June 26, explaining the Trust’s decision and informing eligible donors of the Trust’s criteria for contributions.¹²⁵ The letter included a fact sheet that had been revised to

emphasize the fact that contributions had to be voluntarily made and with personal funds.¹²⁶ Some of the original donors then attempted to donate to the Trust a second time. The Trustees, however, ultimately chose not to accept even those donations.

On May 9, 1996, Cardozo, at the direction of the trustees, went to the White House to brief representatives of the Clintons about the contributions.¹²⁷ Present at the May 9 meeting were Jack Quinn, Cheryl Mills, and Bruce Lindsay of the White House Counsel's Office; Margaret Williams, the First Lady's Chief of Staff; Evelyn Lieberman, a representative from the President's office; and Harold Ickes, Deputy Chief of Staff. Cardozo informed them about the involvement of the Ching Hai sect.

Cardozo testified that by the time of this meeting, the Trustees had already tentatively decided that the Trust would not accept the funds, and Cardozo advised the people at the meeting of this decision. He did not ask for their opinion, and none was expressed. Cardozo testified that "there was never any recommendation that the funds be either accepted or rejected. They respected the independence of the trustees. They were not interfering in our decision at all."¹²⁸ Cardozo also testified: "I would emphasize that we never sought the agreement or the disagreement [of the White House]. We never sought the concurrence of the White House at all in any of our decisions."¹²⁹ When asked if anyone at the White House sought to interfere or influence the Trustees' decision-making process in any way, Cardozo answered: "Not at any time. They always respected the independence of the trustees."¹³⁰ Cardozo also testified that the First Lady made no attempt "to direct the trustees in any way."¹³¹

In June 1996, the Trust returned the checks and notified the White House of its decision to do so. In July, the Trust began receiving replacement contributions.¹³² By November 1996, the replacement contributions totalled nearly \$122,000, or more than one quarter of the original \$460,000. On November 15, 1996, the Trust met with White House staff to update them on the replacement contributions and inform them that the Trust was considering returning these contributions as well.¹³³ Two weeks later, the Trust returned each of the replacement contributions to the individual donors. Subsequent to this action, in December 1996, the Trust received its first media inquiry about the returned donations.¹³⁴

The Trust's Change in Accounting Procedures

As the result of a change in accounting methods, the Trust's 1996 semi-annual report did not reflect the donations returned to the contributors. Prior to 1996, the semi-annual report of the Trust stated the total contributions received and also set out the total contributions received less the ineligible contributions.¹³⁵ An accounting change was made so that the 1996 financial reports only gave the total amount of contributions accepted.¹³⁶ Under this approach, a contribution was not deemed "accepted" by the Trust until the end of the reporting period, when the Trustees had concluded that the contribution met the Trust's guidelines. According to Cardozo, the Trustees implemented this accounting change without input from anyone at the White House. The Committee had some concern that the accounting change was an attempt to

hide Charlie Trie's connection to the contributions. Cardozo, in his testimony, denied that this was the reason for the change:

I would remind you that the trust is a private trust. It has no obligation, no responsibility to make any financial information public. What it does make public is far in excess of what any of the congressional -- House or Senate -- legal defense funds make public.¹³⁷

Cardozo indicated that the Trustees made this decision to keep confidential the decision to reject the funds. They felt confidentiality was needed to protect the privacy interests of U.S. citizens who had attempted to contribute and to protect the integrity of the Trust. He testified:

We wanted to avoid sensational press coverage of the attempt by the Ching Hai contributors to contribute. . . . Charlie Trie was irrelevant. There were no discussions with the White House. This was a judgment that independent trustees made that it was in the best interest of the trust.¹³⁸

Indeed, the Trust would have had no reason at this time to keep Trie's involvement a secret. The decision to change the reporting format was made in June, but press accounts raising concerns about Trie did not appear until October.

The Trust, which made its decision on a unanimous, nonpartisan basis, provided a number of valid reasons for changing the reporting format. The new presentation gave a more accurate picture of the Trust's financial condition. In addition, the Trustees were legitimately worried about protecting the privacy of those eligible donors whose checks were returned along with the ineligible donations.

Furthermore, regardless of which accounting format was used, Trie's name would not have appeared because he was not personally a donor. Nevertheless, this change had the effect of obscuring Trie's involvement, which probably would have emerged upon investigation by the media into the returned contributions. In retrospect, the accounting change created at least the appearance of trying to hide Trie's role.

Foreign Funds

At the hearing, Cardozo testified that the Trust's investigation of the donations delivered by Trie found no evidence that foreign money was used to pay for the donations and no evidence of any involvement by a foreign government.¹³⁹ The Committee also asked about the role of foreign money when questioning Zhi Hua Dong, a Ching Hai member who participated in the solicitation of PLET donations during an event in New York. Dong described a number of measures taken by the sect to ensure that only U.S. citizens made donations to PLET, including at the New York event he attended, by explaining the Trust's requirements, placing red dots on the name tags of attendees who were U.S. citizens, using a separate room for discussion of the

PLET donations, and asking only U.S. citizens to enter that room.¹⁴⁰ Dong also testified, however, that some Ching Hai members had provided pre-paid money orders to enable other members to make donations to PLET while at the event, and when these members were not repaid for those money orders, funds from the Ching Hai organization, including funds transferred from abroad, were used to reimburse them for their expenditures.¹⁴¹ As explained above, money orders provided only 15 to 20 percent of the number of PLET donations delivered by Trie, which means that at least 80 percent of the contributions he delivered were unaffected by any money order controversy. In addition, the sect's reimbursement decision appears to have been an after-the-fact response to inadequate measures taken during Ching Hai's solicitation process to ensure that persons using pre-paid money orders had the information needed to pay for the money orders at a later time. No evidence was found of a premeditated plan by the sect or its members to use foreign funds for the PLET donations.¹⁴²

Analysis

Donations to the Presidential Legal Expense Trust are not campaign contributions and are not covered by federal election laws. The Committee found no evidence linking the PLET donations delivered by Trie to the 1996 federal elections. The PLET donations are not the subject of any of the charges made in the recent indictment of Trie.¹⁴³

The Trustees voluntarily imposed upon themselves very strict guidelines regarding donor eligibility and disclosure.¹⁴⁴ When confronted with the donations delivered by Trie, the Trustees spent considerable funds to hire an investigative firm to examine the eligibility of the donations. Despite the fact that the Trustees felt confident that the majority of the donations met their requirements and despite the Trust's need for donations, the Trustees opted to return all of the donations associated with the Ching Hai sect, in order to avoid even an appearance of impropriety. When the donations were returned to the donors, they were accompanied with a fact sheet that explained the eligibility guidelines of the Trust. When some of the original donors again tried to contribute, the Trustees chose to return those donations as well. The Trustees are to be commended for having acted with the utmost prudence and integrity by investigating the donations and ultimately returning all of them. They are also to be commended for scrupulously maintaining their independence from any outside influences in making these decisions.

At the hearing, some Committee members expressed concern that the investigative firm hired by the Trust did not examine Trie's role in soliciting the contributions and asked whether this limit on the scope of the IGI investigation had been dictated by the White House. Cardozo testified that no one at the White House had sought to affect the investigation or to influence the Trustees' decision in any way.¹⁴⁵ Cardozo also testified that once the Trustees learned about the Ching Hai association with the contributions, Trie "became irrelevant to our consideration. Our responsibility was, can we accept these contributions, are they eligible."¹⁴⁶ In response to questioning about why the Trust did not investigate Trie's motivations beyond Trie's representation that he was a friend of the President, Cardozo stated: "I had no conversations with anyone else other than the trustees and counsel and the Investigative Group about what Mr. Trie's

motivations might have been, but I remind you the trustees' responsibilities as fiduciaries was to determine whether or not these were eligible contributions."¹⁴⁷ Cardozo also made the point that the Trustees were trying to limit the amount of money they were spending on the investigation because that was money that would otherwise go to reduce the President and First Lady's legal bills.¹⁴⁸ These explanations offer reasonable justifications for the Trust's actions and the scope of the IGI investigation.

The decision by the Trustees to change the accounting procedures, however, raises a concern that its purpose was to obscure the fact that Trie had brought in a very large sum of money which had been returned. In so doing, the Trustees arguably made it appear that the Trust had something to hide. On the other hand, Cardozo and Schwartz were concerned that the old reporting system was flawed. Furthermore, the Trustees' desire to protect the privacy of those eligible donors whose contributions were returned was understandable given the likelihood that the media would probably have pursued the issue. With hindsight, however, given the controversy that now surrounds Trie (this controversy did not arise until after the reporting change had been made), it would have been the better course not to have changed the reporting format.

A final issue concerns the role of foreign funds. The Trust determined that most of the contributions presented by Trie were from American citizens who were eligible to contribute, knew where their money was going, and supported President Clinton. The Committee's investigation found no evidence that Trie had attempted to solicit foreign funds; to the contrary, the facts indicate that Trie had informed Ching Hai of the need for donors to be U.S. citizens and to use their personal funds to make voluntary donations. Despite his efforts, evidence was developed that foreign funds were used to reimburse some Ching Hai members who provided pre-paid money orders to donors wishing to contribute to PLET. While the Trust is not a campaign organization or subject to a legal ban on foreign funds, its guidelines explicitly reject foreign contributions. There is no evidence that Trie was aware of the use of foreign funds to reimburse some of the pre-paid money orders. Moreover, since the Trust returned all of the contributions presented by Trie, no actual violation of its guidelines occurred.

TRIE'S ACCESS TO WHITE HOUSE AND DNC EVENTS

Trie, his family and his companies contributed \$220,000 to the DNC in less than two years. Trie raised an additional \$500,000 for the DNC, working with John Huang. He also raised at least \$530,000 for the Presidential Legal Expense Trust. One issue repeatedly raised at the Committee hearing was Trie's motivation for his actions and what, if anything, he received in return.

Although the Committee was unable to locate Trie to question him, the evidence before the Committee suggests that his contributions and fundraising efforts were intended not only to support President Clinton, but also to further Trie's private business interests. The evidence shows that, due to his contributions and fundraising for the DNC, Trie received unusual access to

the White House and senior government officials and made valuable business contacts that furthered his private business interests.

In May and June 1994, Trie and his wife contributed \$100,000 to the DNC. On June 30, 1994, the DNC named Trie a DNC managing trustee. In addition, Trie served as a 1994 vice chair of the DNC's Business Leadership Forum and was appointed a member of the DNC's National Finance Board.

Trie's contributions and fundraising also won him unusual access to the White House, President Clinton, and senior government officials, although he also drew upon personal friendships with individuals from Little Rock, particularly Mark Middleton.¹⁴⁹ White House records show that Trie gained access to the White House on at least 23 occasions from 1993 to 1996.¹⁵⁰ On many of these visits, Trie attended large social events such as a Christmas party, attended meetings of Asian-American organizations, or met with Middleton who was considering business dealings with Trie and twice traveled with Trie to Taiwan in 1995.¹⁵¹ On other visits to the White House or DNC fundraising events attended by President Clinton, however, Trie brought Asian business acquaintances as his guests.

For example, on June 22, 1994, Trie purchased two tables at a DNC fundraising dinner at the Mayflower Hotel in Washington for a contribution of \$100,000 to the DNC. He invited as his guests a number of Chinese and Taiwanese business people and spouses, including Wu.¹⁵² According to press reports, in June 1995, Trie brought Winston Wang, CEO of Formosa Plastics, a Taiwanese firm, to a White House coffee and photo session with the President.¹⁵³ In September 1995, Trie brought Wu and a Hong Kong banker to the White House for a tour and lunch. In November 1995, Trie brought as his guests several Asian business associates, including Wu, to an African-American Leadership Forum fundraiser in Washington. President Clinton attended, and Trie introduced him to his colleagues.¹⁵⁴ On February 6, 1996, as described in detail below, Trie brought Wang Jun, chairman of China International Trust and Investment Corporation ("CITIC"), the chief investment arm of the Chinese government, to a White House coffee with the President.

Senator Bennett stated at a Committee hearing that, in Asia, Trie's ability to arrange a White House tour or brief meeting with the President or another senior government official was valuable in establishing the credentials of Trie and Wu as having "very high-level contacts" in the United States. Senator Bennett also stated, "It can open a lot of doors in a lot of places in ways that American business people simply do not understand because we do not do business that way in the United States."¹⁵⁵

One troubling development during the Committee investigation was the late production by the White House of records demonstrating that Trie's business associate Wu had obtained entry to the White House on ten occasions over a two-year period, from June 1994 until October 1996, primarily through his associations with Trie and Middleton.¹⁵⁶ One of Wu's visits was related to Trie and Wang Jun's attendance at a White House coffee on February 6, 1996, discussed below.¹⁵⁷ Several took place close in time to dates on which Trie or one of his companies made

contributions to the DNC.¹⁵⁸ Wu's repeated visits is convincing evidence of Trie's ability to gain White House access for his business associates. They provide additional troubling evidence that some portion of Trie's contributions may have been made at the suggestion of or with funds provided by Wu.¹⁵⁹

Another benefit tied to Trie's support of the President is his appointment to the Commission on United States-Pacific Trade and Investment Policy, discussed below.

One question that was raised repeatedly at the Committee hearings was whether, in addition to obtaining access and furthering his private business interests, Trie influenced U.S. domestic or foreign policy. Based upon his investigation, Committee investigator and FBI detailee Jerry Campana testified that he found no evidence that Trie, Wu, or anyone associated with them influenced or affected American policy in any way.¹⁶⁰

The only document indicating an attempt by Trie to affect U.S. policy is a March 21, 1996, two-page letter which Trie sent to President Clinton after the President deployed aircraft carriers in the Taiwan Straits in response to a decision by the Chinese government to engage in military exercises there. The letter expresses Trie's concern that China might "launch a real war" in response to the President's action.¹⁶¹ The evidence before the Committee shows that this letter, which was brought to the White House by Mark Middleton, was routinely referred to the National Security Council and received a standard reply a month later.¹⁶² There is no evidence that the letter had any policy impact.¹⁶³ When asked if there was any evidence of involvement by the Chinese government, Campana testified there was not -- the evidence instead suggested one of Trie's employees had encouraged him to send the letter and helped write it.¹⁶⁴

Trie's experience in obtaining access to the White House, President, and senior government officials in large part due to his DNC contributions and fundraising is comparable in many ways to the experience of Michael Kojima under the Bush Administration.¹⁶⁵ Both left the restaurant business to go into international ventures. With no policy background or government experience, both caught the attention of White House officials through large campaign contributions that apparently utilized foreign funds. Both used their contributor status to gain access to the President and other government officials to further private business interests. While some might claim that Trie's access was superior, as evidenced by a greater number of White House visits, others might claim that Kojima received better treatment, as evidenced by the numerous letters written on his behalf by the Republican Party to U.S. and foreign officials requesting their assistance.¹⁶⁶ The sad truth is that the link between contributions and government access is a common story with a long history in both political parties.

TRIE'S COMMISSION APPOINTMENT

On June 21, 1995, President Clinton, by executive order, established a 15-member Commission on United States-Pacific Trade and Investment Policy ("the Commission"). The executive order described the qualifications for members as follows:

Members shall (1) be chosen from the private sector. . . and (2) have substantial experience with selling agricultural products, manufactured goods, or high-value-added services to Asian and Pacific markets or be knowledgeable from their personal or professional experience about the trade barriers or their industry and government policies and practices, formal and informal, that have restricted access by U.S. businesses to Asian and Pacific markets.¹⁶⁷

Trie was appointed by President Clinton to serve on this Commission in April 1996. The timing of Trie's official appointment was approximately one month after Trie presented checks to the presidential trust. The White House denies that Trie's appointment had anything to do with contributions Trie obtained for the Presidential Legal Expense Trust, and that, in fact, Trie's appointment was finalized months earlier, in 1995, and was not connected in any way to the PLET fundraising.¹⁶⁸

Key documentation related to Trie's Commission appointment indicates that the appointment process did begin in 1995 and was well underway prior to Trie's first contact with PLET in 1996. For example, a memorandum dated September 21, 1995, indicates that the White House personnel office was already seriously considering Trie as a possible Commission member.¹⁶⁹ In a memorandum dated December 15, 1995, the White House personnel office states that "President Clinton has approved" Trie for appointment to the Commission and asks the White House legal counsel's office to "initiate a preliminary background investigation."¹⁷⁰ On December 31, 1995, Trie signed two documents on White House stationery. The first states that Trie "acknowledges and consents to consideration by the President of the United States for appointment or nomination to a position within the Executive Branch." The second gives Trie's "express consent for the Federal Bureau of Investigation to investigate [his] background."¹⁷¹ On February 5, 1996, the White House legal counsel's office notified the White House personnel office that it had "completed its clearance review of the proposed appointments of [Trie] and James C. Morgan to be Members of the Commission on United States Pacific Trade and Investment Policy, and such appointments may proceed."¹⁷² All of these actions took place prior to Trie's initial contact with PLET on March 20, 1996.

But even if the Trie appointment had been related to his financial support for the President through PLET, it would hardly have been an unprecedented event. For example, nine of the 27 private-sector members appointed by President Bush to the President's Export Council had been major financial supporters of the Republican Party. Similarly, after President Bush nominated Bruce S. Gelb as head of the United States Information Agency ("USIA"), Gelb acknowledged that his nomination was due to the \$3 million he helped raise for President Bush's campaign.¹⁷³ Indeed, then-Commerce Secretary Robert Mosbacher protested that only 50 percent of President Bush's top fundraisers had been given plum appointments as a reward for their fundraising efforts.¹⁷⁴ Financial support of a president is a well traveled route to a Commission appointment. See Chapter 28 of this Minority Report.

The Commission members who served with Trie offered mixed assessments of Trie's

participation. Kenneth Brody, Commission chairman, stated:

His role wasn't extensive but he had some contributions in looking at trade policy from the standpoint of small- and medium-size companies and I think he had some participation in understanding some of the Asian countries. . . . I can't think of anything that he specifically added that comes out as a report recommendation. On the other hand, there is some flavor that he added.¹⁷⁵

Clyde Prestowitz, vice chairman of the Commission, told Committee investigators that Trie eventually became a valued member.¹⁷⁶ Most members said that his participation was hampered by limited English abilities. Dr. Meredith Woo-Cummings recalled feeling concern for Trie, because his educational background and understanding of policy issues were too limited for the purposes of the Commission. She said that she tried to engage him in discussions to little avail.¹⁷⁷ However, Jackson Tai, another Commission member, found Trie to be an active participant, engaged in the issues being discussed.¹⁷⁸ Committee investigator Campana testified that the Committee's investigative team found that Trie had no influence on the Commission's policy recommendations.¹⁷⁹

Trie served on the Commission for six months, from April to October 1996. He served without pay and paid his own expenses during the Commission's trip to Asia, as all Commission members were required to do.¹⁸⁰

TRIE AND WANG JUN AT THE WHITE HOUSE

On February 6, 1996, Trie accompanied Wang Jun to a White House coffee attended by President Clinton. Apparently, neither spoke during the coffee.¹⁸¹ Wang Jun is a former officer in the People's Liberation Army and the son of Wang Zhen, a retired general and former vice premier of China.¹⁸² Wang is also chairman of the China International Trade and Investment Corporation ("CITIC"), a major Chinese conglomerate.¹⁸³

After the coffee, controversy erupted when the news media discovered that Wang was also chairman of the China Poly Group, an arms company owned by the Chinese military.¹⁸⁴ After the coffee, a China Poly subsidiary called Poly Technologies was identified as the source of 2,000 AK-47 assault weapons seized as the result of an investigation of an arms smuggling operation. The import of such weapons was forbidden by executive orders and a law championed by President Clinton to limit the sale of automatic weapons. Poly Technologies has alleged that the smuggling was performed by two former employees falsely using the name of a defunct Poly company.¹⁸⁵

Given the tensions with the Chinese government over this incident as well as arms sales to developing countries, President Clinton stated in response to media inquiries that Wang's attendance at the coffee was "clearly inappropriate" and that he wished he had been more fully informed of Wang's background.¹⁸⁶

Robert Suettinger, Director of Asian Affairs at the National Security Council, has stated that, despite Wang's title as chairman of China Poly, his role at the company is not clear. Suettinger further stated that Wang is generally associated with CITIC, and not Poly Technologies.¹⁸⁷

CITIC, a \$20 billion conglomerate, serves as the chief investment arm of China's central government with ministry-level status on the Chinese State Council.¹⁸⁸ CITIC is guided by a 13-member CITIC International Advisory Council, whose board members include prominent Americans including former Secretary of State George Shultz and Maurice Greenberg, chairman of American International Group, a major insurance firm.¹⁸⁹ Senator Glenn noted that former Secretary Shultz had been quoted as saying that he attended CITIC's advisory council meeting in 1996 and that he planned to attend the 1997 meeting as well.¹⁹⁰ CITIC companies have received more than \$200 million worth of financing from the Export-Import Bank of the United States. CITIC has forged business partnerships with a variety of U.S. firms, including Westinghouse, Bechtel, and Chase Manhattan. Two months after appearing at the White House coffee, Wang hosted a dinner in Beijing attended by former President Bush and Brent Scowcroft, President Bush's former national security advisor.¹⁹¹ Wang calls Henry Kissinger "a good friend."¹⁹² During the hearing, Senator Glenn observed that Wang was "a key figure for virtually any U.S. company interested in major economic involvement in China."¹⁹³

Descriptions of Wang as a "Chinese arms dealer" do not capture his role as an influential figure in determining American business in China and Chinese investments abroad.

Wang Jun's Invitation to the White House Coffee

The evidence is conflicting as to how Wang was invited to attend the White House coffee. Amy Weiss Tobe, a DNC spokesperson, has said it was done as "a favor to Charlie" Trie.¹⁹⁴ David Mercer, a DNC fundraiser, has testified that, in early 1996, Trie asked him if he could bring Wang to a White House coffee as his guest.¹⁹⁵ Mercer testified that this type of request was not unusual for Trie or other contributors to make, and that Trie often asked for guests to be invited to White House events. Mercer said that Trie did not state why he wanted Wang to be invited, nor did he say anything to Mercer about making a contribution if the request was granted.¹⁹⁶ Mercer testified that he agreed to submit Wang's name for consideration.

DNC Finance Director Richard Sullivan testified to the Committee that he thought the Wang invitation was extended as a favor to another DNC fundraiser, Ernest Green. Sullivan stated: "It was something, as I understood it, that was important, that Ernie had this guy in town doing business. Ernie had been a longtime supporter and it was purely as a favor to Ernie."¹⁹⁷ At his deposition, Sullivan had referenced both Trie and Green, describing information he had received from Mercer in a way which suggests that Green's connection to Wang may have been described by Trie rather than Green himself.¹⁹⁸ Mercer has testified that he never discussed the invitation with Green.¹⁹⁹ Green testified that he did not play any role in obtaining the invitation.²⁰⁰

Mercer has testified that it was his responsibility, for guests under consideration to receive a White House invitation through the DNC, to compile standard information on each person, including the person's profession and social security or passport identification number.²⁰¹ Mercer then prepared briefing materials which Sullivan or other DNC officials used to decide who would be invited as guests.²⁰²

In the case of Wang, Mercer testified that he asked Trie to provide him with Wang's resume.²⁰³ Using the resume he received, he prepared materials describing Wang as a foreign national and chairman of CITIC. The resume did not include and Mercer was unaware of and did not include in the briefing materials any reference to Poly Technologies.²⁰⁴ Faxed information at the top of the resume indicates it was faxed from Lehman Brothers's Washington office. However, Green denies that he sent it to the DNC, nor does he know why his firm sent the resume since, according to Green, neither he nor his firm played any role in obtaining Wang's invitation to the coffee.²⁰⁵ Other than the fax number on the document, no evidence was developed establishing that Green sent it. One obvious possibility is that Trie called Lehman Brothers in Green's absence and persuaded a clerical employee to fax the resume to the DNC. In any event, based on the materials Mercer provided, Sullivan testified that he discussed the Wang invitation with DNC finance chair Marvin Rosen and both agreed to propose it to the White House. Sullivan also testified that he alerted Karen Hancox at the White House to Wang's inclusion on the list and asked her to vet him, since he was a foreign national. Sullivan testified that he assumed Hancox would run Wang's name by the National Security Council, but that apparently was not done.²⁰⁶

Role of Ernest Green

Ernest Green came to the Committee's attention, not only because Sullivan said Green requested the Wang invitation but also because, on the day of the coffee, Green made a \$50,000 contribution to the DNC. Questions were raised as to whether the two events were linked, and whether Wang or the Chinese government had supplied the funds for the \$50,000 contribution. Green voluntarily submitted to a lengthy deposition and produced requested documents.

Green is a managing director of Lehman Brothers, an international investment banking firm.²⁰⁷ He is originally from Arkansas and first achieved prominence as one of the "Little Rock Seven," who integrated Little Rock Central High School in 1957. Disney later made a movie of his life entitled "The Ernie Green Story."²⁰⁸ Green received his undergraduate and master's degrees from Michigan State University, which also awarded him an honorary doctorate. In 1977, President Carter made him an Assistant Secretary of Labor and later the chairman of the African Development Foundation.²⁰⁹ Green is a longtime fundraiser for the Democratic Party.²¹⁰ Green testified that he and Trie first met in the fall of 1994 at a breakfast arranged by Jude Kearney, a Commerce Department official and friend of Green, and by DNC fundraiser David Mercer who knew both individuals.²¹¹

According to Green, it was Trie who informed him that Wang was planning a visit to the

United States in early 1996, that would include stops in Washington and New York. Trie acted as a middleman in setting up meetings between Wang and Lehman Brothers executives in both cities to discuss possible business opportunities. Trie worked with Lehman Brothers personnel to schedule a meeting in Washington on February 6 at 10:30 am, and another in New York on February 7. Green, Wang, Trie, Wu and others then met at Lehman's offices on February 6th, in Washington.²¹² Green testified that it was at the end of this meeting, around noon, that Trie informed him Wang would be attending a coffee at the White House.²¹³ Green denied playing any role in arranging Wang's invitation to the White House. Wang and CITIC have also denied that Green or Lehman Brothers played any role in Wang's attending the White House coffee.²¹⁴ Although DNC records list Green as attending the coffee,²¹⁵ Green did not, in fact, attend.

Green has also denied any connection between the coffee and the \$50,000 contribution to the DNC that Green made on the same day. According to Green, this contribution was the result of a decision made in December 1995 by himself and his wife. He testified at his deposition that, although he had raised substantial funds for the Democratic Party, he had never personally made a large contribution. Green stated that he felt obligated to make this contribution, because he was constantly asking for large sums of money from others, some of whom had asked him about his own donations.²¹⁶ He testified that, in late 1995, he and his wife resolved to make a major financial contribution of their own. Due to cash flow considerations, he said that he and his wife determined to make the contribution after he had received his annual bonus check from Lehman Brothers in January. He said they planned to contribute \$50,000, because that was what Green generally sought when he solicited contributions and he thought the amount was appropriate to his status as a DNC managing trustee.²¹⁷

Green's bank records show a deposit of \$114,961.70 on February 1,²¹⁸ representing his annual bonus check from Lehman Brothers. Five days later, on the morning of February 6, Green provided a \$50,000 check to the DNC. Green and Mercer agree that he gave the check to Mercer, and both have testified that they never discussed Wang's invitation to the coffee.²¹⁹ Green testified that in the latter part of February he received an additional bonus check of \$54,000 because of an unrelated business deal he had brought to his firm.²²⁰ He and his firm deny that Green's DNC contribution was reimbursed by Lehman Brothers or financed in any way by CITIC. Calling the money-laundering allegations "outrageous" and "preposterous," Green's attorney was quoted in the media saying, "No one reimbursed him for his contribution either directly or indirectly. ... There has never been a discussion with Wang Jun about a contribution."²²¹ No documentary or testimonial evidence before the Committee establishes reimbursement.

When asked about DNC records crediting Trie with obtaining the \$50,000 contribution in connection with the February 6 coffee, Green testified that he had never seen the records before and that "Trie never solicited a \$50,000 contribution from me."²²² He testified that his wife had signed the contribution check and referenced a "fundraiser" that Green himself had organized in November 1995.²²³ Mercer testified that he probably completed the check tracking form in relation to Green's donation, but does not recall whether he included the information linking the contribution to Trie and the White House coffee.²²⁴ Mercer repeated his testimony that he had

not spoken with Green about the Wang invitation. Green also told the press that he has had no contact with Wang since February 1996.²²⁵

Analysis

The evidence is clear that Wang was invited to the White House and met President Clinton as a favor to a DNC fundraiser. Trie spoke with Mercer and actually attended the coffee with Wang. Green's firm faxed Wang's resume to the DNC, and Sullivan based his decision at least in part on his knowledge that Green had dealings with Wang -- whether or not it was Green who imparted that information. The DNC records showing Green in attendance at the coffee were in error; DNC records crediting the \$50,000 contribution to Trie in connection with the coffee are also questionable, since there is no reason for Green to have attributed his contribution to any fundraiser other than himself or to any event other than the fundraiser that Green himself had organized a few months earlier. The recent indictment of Trie makes no reference to the \$50,000 contribution by Green.

There is also no evidence that Wang requested the invitation, that he spoke during the coffee, or that he made any request of the President or his staff. His attendance instead appears consistent with the analysis offered by Senator Bennett during the Committee hearing -- it was a demonstration of access in which Trie showed that he and Wu had the necessary "high-level contacts" to get an audience for Wang with the President of the United States. This demonstration presumably strengthened Trie and Wu's ability to do business with Wang.

TRIE AND CHINA

One important question that the Committee sought to resolve was whether Trie had any role in the plan of the Chinese government to promote its interests in the United States. To date, the Committee has not obtained any evidence that Trie acted pursuant to this plan or on behalf of the Chinese government. In fact, no evidence regarding Trie was uncovered in the Committee's closed proceedings on the topic.

Considerable evidence was developed regarding Trie's close ties to China in the Committee's public investigation however. After leaving the United States in late 1996, he spent time in China where he gave interviews to the media.²²⁶ He and his wife have a home outside of Beijing and own a restaurant in the city.²²⁷ During the 1990s, Trie made frequent business trips to China and hosted Chinese delegations and officials visiting the United States. It was Trie who accompanied Wang Jun, chairman of CITIC, to the White House as noted above. At the same time, however, Trie had ties to Taiwan. He visited Taiwan, did business there, included Taiwanese business associates at White House and DNC events, and had a relationship with the Taiwan-based Ching Hai religious organization. Trie's pursuit of Taiwanese business ventures and involvement with a Taiwan-based religious organization run counter to the allegations that he acted in any way on behalf of the Chinese government. Trie also has business ties to other Asian countries, such as Indonesia.

Trie's extensive business dealings with Wu and his association with Wang do not prove that he was acting at the direction of the Chinese government. According to press reports that the Committee was unable to confirm, Wu is a member of the Chinese People's Consultative Congress in the city of Guangzhou. This organization allegedly provides economic and business advice to the Communist Party and Chinese government.²²⁸ In addition, Wu has been described as a "business friend" of Wang and as engaged in business dealings with CITIC.²²⁹ Some have said that it was Wu who introduced Trie and Wang.²³⁰ Others point out, however, that Wu has a Portuguese passport and cannot fairly be described as a Chinese government official. Senator Durbin pointed out that many reputable firms have business dealings with CITIC, including Westinghouse, Chase Manhattan and J.P. Morgan.²³¹ Senator Glenn also noted that many prominent Americans, including former President Bush and former Secretary of State George Schultz, have ongoing business relationships with Wang. While Trie's association with Wu and Wang, in addition to his other ties to China raise questions, the evidence does not show that Trie acted at the direction of Chinese officials.

Questions were also raised as to whether the money transfers provided by Wu to Trie could be traced to the Chinese government. Many of the money transfers came from a Macao branch of the Bank of China, which is a key financial institution in China's state banking system. The Committee heard in July, however, that Wu apparently had sufficient resources to finance all of the transfers, that he had reasons for supporting Trie financially, and that no evidence had been found linking the transfers to the government of China.²³²

Another relevant factor is that Trie authorized an FBI investigation of his background in December 1995, and that investigation found no problems that would prevent Trie's nomination to a Presidential commission. An individual seeking to hide contacts with a foreign government presumably would not have either subjected himself to such an investigation or emerged from it unscathed. The January 1998 indictment of Trie makes no reference to the Chinese government.

The evidence before the Committee to date indicates that, while the allegation of a connection between Trie and the Chinese government remains an open question, it also remains unproven.

1. United States v. Yah Lin (“Charlie”) Trie and Yuan Pei (“Antonio”) Pan, Criminal Case No. 98-0029 (U.S. District Court for the District of Columbia), 1/28/98 (hereinafter referred to as the “Trie indictment”).
2. Jerry Campana, 7/29/97 Hrg., p. 6.
3. Jerry Campana, 7/29/97 Hrg., pp. 6-7.
4. Jerry Campana, 7/29/97 Hrg., p. 7.
5. Jerry Campana, 7/29/97 Hrg., pp. 7-8.
6. Jerry Campana, 7/29/97 Hrg., pp. 8, 33.
7. Macao is a Portuguese territory on the coast of southern China.
8. Jerry Campana, 7/29/97 Hrg., pp. 8-9.
9. Jerry Campana, 7/29/97 Hrg., p. 7; Trie indictment, paragraph. 2.
10. Jerry Campana, 7/29/97 Hrg., p. 9.
11. Jerry Campana, 7/29/97 Hrg., pp. 11-12.
12. See NBC Nightly News, 6/24/97
13. Jerry Campana, 7/29/97 Hrg., pp. 11-12.
14. Jerry Campana, 7/29/97 Hrg., p. 12. See also Trie indictment.
15. Jerry Campana, 7/29/97 Hrg., p. 13.
16. Jerry Campana, 7/29/97 Hrg., p. 13.
17. Jerry Campana, 7/29/97 Hrg., pp. 10, 20.
18. Jerry Campana, 7/29/97 Hrg., p. 5.
19. Jerry Campana, 7/29/97 Hrg., pp. 91-92.
20. Jerry Campana, 7/29/97 Hrg., p. 10.
21. Trie indictment, “The Conspiracy,” paragraph 14, and “Manner and Means of the Conspiracy,” paragraph 15.
22. Trie indictment, “Introductory Allegations,” paragraph 5. Prior to working for Trie, Pan was employed by the Lippo Group in China. He also worked for Wu as director of Lucky Port

Investments, Inc. Pan began working for Trie in August 1995, and eventually became the chief executive officer of Daihatsu and executive director of America-Asia Trade Center, Inc.

23. Trie indictment, “Overt Acts,” paragraphs 2-14, 21, 40.

24. Trie indictment, “Overt Acts,” paragraphs 15, 17.

25. See, for example, Trie indictment, “Overt Acts,” paragraphs 21, 38.

26. Trie indictment, “Manner and Means of the Conspiracy,” paragraph 15(b).

27. Jerry Campane, 7/29/97 Hrg., pp. 15-16.

28. Jerry Campane, 7/29/97 Hrg., p. 14.

29. Pan was not addressed in the Committee’s public hearings, although he was the subject of an October 9, 1997 hearing before the House Committee on Government Reform and Oversight.

30. Jerry Campane, 7/29/97 Hrg., pp. 36-39.

31. For example, Trie might be able to show that some of the foreign funds were his personal work earnings. Personal income earned abroad by an American citizen may be used for a campaign contribution, provided that no foreign national participates in the contribution decision; 2 U.S.C. § 441e.

32. The DNC’s position is in sharp contrast to that of the RNC which, for example, continues to retain \$215,000 from a Michael Kojima contribution that apparently utilized foreign funds. See Kojima chapter, infra.

33. Washington Post, 12/18/96 (“Trie and Huang worked together to raise funds for the Democratic Party from the Asian American community, according to Trie. Huang ‘often wanted me to help’ with fundraisers, Trie said in an interview.”)

34. Apparently, both Trie and Huang attended the APALC fundraiser. Six months earlier, in May 1995, Trie and Huang had both attended an inaugural dinner for the Congressional Asian Pacific American Caucus Institute, another new organization aimed at the Asian American community. While not DNC-related, this institute may have energized Trie to join Huang’s efforts to increase the political involvement of the Asian American community in Democratic politics.

35. Trie indictment, “Manner and Means of the Conspiracy,” paragraph 15 (c), (d), (i).

36. See DNC documents No. D 0000968-0000973.

37. Los Angeles Times, 12/21/97.

38. Trie indictment, “Overt Acts,” paragraph 34.

39. Jerry Campane, 7/29/97 Hrg., pp. 17-18 and 71-72. See also Part 3 discussion of the Zahn, Chu and Wang checks.
40. See Exhibit 62: DNC In-Depth Contribution Review, DNC 0134-145. Other checks from the Hay Adams fundraiser, attributed to persons other than Trie, were also returned by the DNC. See chapter on Huang, supra.
41. See Huang DNC event summary, in Minority Report Chapter 4. See also Los Angeles Times, 12/21/97.
42. See Chapter 21 which discusses the Gandhi contribution.
43. Staff interview with Yogesh Gandhi, 3/24/97. Gandhi had originally agreed to provide a deposition, but at the beginning of the deposition asserted his constitutional rights under the Fifth Amendment and refused to provide sworn testimony. He reluctantly consented to an unsworn, untranscribed interview.
44. Gandhi stated during the staff interview that he met Huang for the first and only time during the fundraiser when Huang approached him and thanked him for attending. Later during the dinner, Gandhi obtained a few moments with President Clinton to present him with an award.
45. Los Angeles Times, 12/21/97; New York Times, 7/2/97.
46. See DNC documents No. D 0000981-0000996.
47. See New York Times, 7/2/97.
48. See, for example, Los Angeles Times, 12/7/97, p. A1.
49. Exhibit 62: DNC In-Depth Contribution Review, DNC 0134-145. For example, the DNC returned a \$10,000 check from Kun Cheng Yeh, after the media reported "an employee [at the Los Angeles address on the check] said Mr. Yeh lived in China and had not been to the United States for several years." New York Times, 7/2/97. Not all the media allegations were proven correct, however; one \$3,000 check was from Michele Lima who was initially identified as deceased, but was later discovered "alive and well" in Queens. Wall Street Journal, 6/13/97.
50. Jerry Campane, 7/29/97 Hrg., p. 13. See also Trie indictment, "Overt Acts," paragraph 43.
51. Trie indictment, "Overt Acts," paragraphs 46-47.
52. Trie indictment, "Overt Acts," paragraphs 48-51. See also Los Angeles Times, 12/7/97, p. A1.
53. Trie indictment, "Overt Acts," paragraphs 44-45, 52.
54. Yue Chu, and Xiping Wang, 7/29/97 Hrg, pp.137-140.

55. Yue Chu, 7/29/97 Hrg., p. 132. Chu stated that the check was made out to the “DSCC” and she was unaware that the initials stood for Democratic Senatorial Campaign Committee.

56. Yue Chu, 7/29/97 Hrg., p. 134.

57. Jerry Campana, 7/29/97 Hrg., pp. 64-65, 93.

58. Yue Chu, 7/29/97 Hrg., pp. 132, 137, 158; Yue Chu deposition, 7/9/97, p. 63.

59. Jerry Campana, 7/29/97 Hrg., p. 93.

60. Trie indictment, “The Conspiracy,” paragraph 14.

61. Exhibits 664-666.

62. Harold Ickes deposition, 6/26/97, p.158.

63. Los Angeles Times, 12/21/97.

64. Jerry Campana, 7/29/97 Hrg., p. 91.

65. Washington Post, 12/18/96.

66. Trie indictment, “The Conspiracy,” paragraph 14.

67. These trustees have been called “a blue ribbon group ... whose detachment and probity were assured.” Washington Post, editorial, 12/18/96. The trustees are: The Reverend Theodore M. Hesburgh, C.S.C., President Emeritus of the University of Notre Dame (Co-Chair); Nicholas deB. Katzenbach, former Attorney General of the United States (Co-Chair); John Brademas, president emeritus of New York University and former Democratic Representative from Indiana; Ronald Olson, partner, Munger, Tolles and Olson of Los Angeles; Elliot Richardson, former Attorney General, Secretary of Defense, and Secretary of Health, Education, and Welfare; Michael Sovern, President Emeritus of Columbia University and former dean and professor of law at Columbia Law School; John Whitehead, former Deputy Secretary of State and former co-chair of Goldman, Sachs and Company; Michael H. Cardozo, managing director, G. William Miller and Co. and former Deputy Counsel to President Carter (Executive Director); and, until her death, Barbara Jordan, professor at LBJ School of Public Affairs and former Democratic Representative from Texas.

68. Judicial Watch Inc. v. Hillary Rodham Clinton, 76 F.3d 1232 (D.C. Cir. 1996).

69. Letter from Stephen D. Potts, Director, Office of Government Ethics, to Michael Cardozo, 7/22/94, .

70. Michael Cordozo, 7/30/97 Hrg., p. 91; PLET Notes to Financial Statements, 12/31/94, PT06493.

71. Michael Cardozo deposition, 5/8/97, p. 18.

72. As discussed below, Trie initially presented the Trust with donations totalling about \$460,000. The Trust immediately rejected checks with obvious problems, and deposited \$380,000 into a suspense account pending assessment of the individual checks. On a second occasion, Trie attempted to present the Trust with checks which Trie indicated totaled \$179,000, but the Trust declined to accept them. It is unclear whether any of the \$70,000 to \$80,000 in problematic checks that had been rejected on the first occasion were included in the second batch of checks. On a third occasion one month later, Trie attempted to present the Trust with checks which he indicated totaled about \$150,000, but the Trust again declined to accept them. It is unclear the extent to which the second and third batches of checks overlapped; it is possible that the same checks were being offered both times. Due to the uncertainty involved, the amount of donations that Trie offered to the Trust is estimated at \$530,000 (\$380,000 plus \$150,000).

73. Michael Cardozo deposition, 5/7/97, p. 25.

74. Michael Cardozo deposition, 5/7/97, p. 25.

75. Michael Cardozo deposition, 5/7/97, p. 28.

76. Michael Cardozo deposition, 5/7/97, p. 29.

77. Michael Cardozo deposition, 5/7/97, p. 30.

78. Michael Cardozo deposition, 5/7/97, p. 30.

79. Michael Cardozo deposition, 5/7/97, p. 33.

80. Michael Cardozo deposition, 5/7/97, p. 34.

81. Michael Cardozo deposition, 5/7/97, p. 34.

82. Michael Cardozo deposition, 5/7/97, p. 34.

83. Michael Cardozo deposition, 5/7/97, p. 40.

84. Michael Cardozo deposition, 5/7/97, p. 41.

85. Michael Cardozo deposition, 5/7/97, p. 42.

86. Michael Cardozo deposition, 5/7/97, p. 41.

87. Michael Cardozo deposition, 5/7/97, p. 35.

88. Sally Schwartz deposition, 5/6/97, pp. 21-22.

89. Sally Schwartz deposition, 5/6/97, p. 22.
90. Michael Cardozo deposition, 5/7/97, p. 37.
91. Sally Schwartz deposition, 5/6/97, p. 29.
92. Michael Cardozo deposition, 5/7/97, p. 38.
93. Michael Cardozo deposition, 5/7/97, pp. 46-47.
94. Michael Cardozo deposition, 5/7/97, p. 51.
95. Sally Schwartz deposition, 5/6/97, p. 35.
96. Sally Schwartz deposition, 5/6/97, p. 35.
97. Michael Cardozo deposition, 5/7/97, p. 48.
98. Michael Cardozo deposition, 5/7/97, p. 48.
99. Michael Cardozo deposition, 5/7/97, p. 48.
100. Michael Cardozo deposition, 5/7/97, p. 49.
101. At the hearing, Cardozo stated that the bank reported that the deposited contributions totaled \$380,000 from 409 individuals. Michael Cardozo, 7/30/97 Hrg., p. 7. See also Sally Schwartz deposition, 5/6/97, p. 40.
102. Michael Cardozo, 7/30/97 Hrg., pp. 9, 79, 87.
103. Michael Cardozo deposition, 5/7/97, p. 49.
104. Michael Cardozo deposition, 5/7/97, p. 49-50.
105. Michael Cardozo deposition, 5/7/97, p. 50.
106. Michael Cardozo deposition, 5/7/97, p. 71.
107. Memorandum from Schwartz to Cardozo, 5/9/96, 0078.
108. Michael Cardozo deposition, 5/7/97, p. 84.
109. Michael Cardozo deposition., 5/7/97, p. 53.
110. Michael Cardozo deposition, 5/7/97, p. 51.

111. Since the donations offered on this occasion were not accepted, no precise total was presented to the Committee. See, for example, Michael Cardozo, 7/30/97 Hrg., pp. 36-37.
112. Michael Cardozo deposition, 5/7/97, pp. 124-125.
113. Michael Cardozo deposition, 5/7/97, p. 125.
114. Michael Cardozo deposition, 5/7/97, p. 125.
115. Michael Cardozo deposition., 5/7/97, p. 126.
116. Michael Cardozo deposition, 5/7/97, pp.188-190.
117. Michael Cardozo, 7/30/97 Hrg., p. 43; Michael Cardozo deposition, 5/7/97, p. 192.
118. Michael Cardozo deposition, 5/7/97, pp.190-191.
119. Sally Schwartz deposition, 5/6/97, p. 143. See also IGI Report re: Interviews with Donors to Presidential Legal Expense Trust, 12/6/96.
120. IGI Report re: Interviews with Donors to Presidential Legal Expense Trust, 12/6/96.
121. Sally Schwartz deposition, 5/6/97, p. 144.
122. Michael Cardozo, 7/30/97 Hrg., p. 80.
123. Michael Cardozo, 7/30/97 Hrg., p. 80; see also Sally Schwartz deposition, 5/6/97, p. 144.
124. Michael Cardozo deposition, 5/7/97, p. 220.
125. Michael Cardozo deposition, 5/7/97, pp. 214, 220.
126. Michael Cardozo deposition, 5/7/97, p. 214.
127. Michael Cardozo, 7/30/97 Hrg., pp. 37-38.
128. Michael Cardozo, 7/30/97 Hrg., pp. 39-41.
129. Michael Cardozo, 7/30/97 Hrg., p. 52.
130. Michael Cardozo, 7/30/97 Hrg., p. 53.
131. Michael Cardozo, 7/30/97 Hrg., p. 61.
132. Michael Cardozo, 7/30/97 Hrg., pp.65-66.
133. Sally Schwartz deposition, 5/6/97, pp.336-337.

134. Sally Schwartz deposition, 5/6/97, p.326.
135. Michael Cardozo deposition, 5/7/97, p. 78.
136. Michael Cardozo deposition, 5/7/97, p. 231.
137. Michael Cardozo, 7/30/97 Hrg., p.48.
138. Michael Cardozo, 7/30/97 Hrg., pp. 48, 85.
139. See, for example, Michael Cardozo, 7/30/97 Hrg., p. 67.
140. Zhi Hua Dong, 7/31/97 Hrg., pp. 154-57; 177-78.
141. Zhi Hua Dong, 7/31/97 Hrg., pp. 180-81.
142. This conduct is in direct contrast to conduct by other tax-exempt groups associated with elected federal officials such as The Jesse Helms Center which hired a fundraiser “to undertake fundraising for the Center from non-U.S. citizens, foundations and corporations.” Memorandum dated 3/9/92, from Howard Segermark to Clark Goodwin, p. 1, included in the publicly available court file associated with Segermark v. The Jesse Helms Center Foundation, Inc., Civil Action No. 0010857-94 (Superior Court of the District of Columbia).
143. See Trie indictment.
144. Washington Post, 12/31/97.
145. Michael Cardozo, 7/30/97 Hrg., pp. 61; 64.
146. Michael Cardozo, 7/30/97 Hrg., p. 115.
147. Michael Cardozo, 7/30/97 Hrg., p. 119.
148. Michael Cardozo, 7/30/97 Hrg., p. 117.
149. Jerry Campana, 7/29/97 Hrg., p. 90.
150. Jerry Campana, 7/29/97, Hrg., p. 10.
151. Jerry Campana, 7/29/97 Hrg., p. 90.
152. Jerry Campana, 7/29/97 Hrg., p. 10.
153. Jerry Campana, 7/29/97 Hrg., p. 10.

154. Los Angeles Times, 12/21/97. White House videotapes of the event show Commerce Secretary Brown gesturing to Trie and his associates and telling the President, “This is part of the Trie team.”
155. Senator Bennett, 7/29/97 Hrg., p. 88. See also, Trie indictment, “Manner and Means of the Conspiracy,” paragraph 15(g), alleging that Trie used his “membership in the DNC committees ... to promote [his] private business activities.”
156. See WAVES records, EOP 056850-056862.
157. See WAVES records for 2/6/96, EOP 056856, 056861-056862.
158. See Associated Press, 7/31/97; New York Times, 7/31/97.
159. Apparently, Antonio Pan, business associate of both Trie and Wu, gained entry to the White House on eight occasions between 8/95 and 10/96. See Los Angeles Times, 12/7/97, p. A1.
160. Jerry Campane, 7/29/97 Hrg., pp. 58, 95. See, for example, at page 95: “Chairman Thompson. [T]here is no indication, I guess I should say, that Mr. Trie had any impact on White House policy; is that correct? Campane. That is correct.”
161. Letter from Trie to the President, 3/21/96, EOP 005325.
162. See letter from the President to Trie, 4/26/97, EOP 029282; staff interview of Robert Suettinger, director, Asian affairs, National Security Council, 6/3/97; and staff interview of Nancy Soderberg, National Security Council, 5/30/97. Suettinger indicated that he prepared the response to Trie’s letter and used standard language developed to respond to the many letters the White House received on this topic. He indicated the letter had no impact on U.S. policy.
163. See staff interview with Robert Suettinger, director, Asian affairs, National Security Council, 6/3/97; and staff interview of Nancy Soderberg, National Security Council, 5/30/97.
164. Jerry Campane, 7/29/97 Hrg., pp. 77-78.
165. See Chapter 6.
166. See Chapter 6. The Republican Party wrote numerous letters to further Kojima’s private business efforts; the Committee investigation found no comparable letters written by the Democratic Party to further Trie’s private business efforts.
167. Executive Order 12964 of 6/21/95, as listed in Federal Register. 6/28/95, Vol. 60.
168. USA Today, 7/30/97.
169. Memorandum from Phyllis Jones to Jennifer Hillman and others regarding expanding the Commission and adding 3 new members, 9/21/95, EOP 056804.

170. Exhibit 664, Memorandum from Winston Allen to Marvin Krislov regarding Trie's addition as a member of the commission, 12/15/95, EOP 002098.

171. Exhibit 666.

172. Exhibit 665, Security Clearances as of 2/14/96, EOP 015131; see also, Robert Nash deposition, 6/25/97, p. 221 (memorandum signified FBI background investigation had been completed without any outstanding issues). Nash was director of the White House personnel office.

173. New York Times, 2/20/89.

174. New York Times, 2/20/89.

175. Los Angeles Times, 4/29/97.

176. Staff interview with Clyde Prestowitz, 6/13/97.

177. Staff interview with Dr. Meredith Woo-Cummings, 6/25/97.

178. Staff interview with Jackson Tai, 6/17/97.

179. Jerry Campane, 7/29/97 Hrg., pp. 52-53, 58.

180. See Exhibits 670: executive order establishing the commission; Exhibit 678: letter from Nancy Adams, commission executive director, to Trie, with information on trip expenses, 2/97; and Exhibit 679: a final talley of trip expenses.

181. See, for example, Washington Post, 3/16/97.

182. Senator Specter, 7/9/97 Hrg., p. 119; Washington Post, 3/16/97.

183. Washington Post, 12/20/97.

184. The Los Angeles Times, 3/16/97.

185. Washington Post, 3/16/97.

186. Press conference held by President Clinton on 12/7/96; see also Los Angeles Times, 12/21/97; Washington Post, 12/20/97.

187. Staff interview with Robert Suettinger, 6/3/97.

188. Austin-American Statesman, 3/30/97.

189. Austin-American Statesman, 3/30/97.

190. Senator Glenn, 7/9/97 Hrg., p. 155
191. Austin-American Statesman, 3/30/97.
192. Washington Post, 3/16/97.
193. Senator Glenn, 7/9/97 Hrg., p. 154.
194. New York Times, 1/4/97.
195. David Mercer deposition, 5/27/97, p. 139.
196. David Mercer deposition, 5/27/97, pp. 139-142.
197. Richard Sullivan, 7/9/97 Hrg., p. 124.
198. Richard Sullivan deposition, 6/4/97, pp. 103-104.
199. David Mercer deposition, 5/27/97, p. 140; and 6/11/97, p. 23.
200. See, for example, Ernest Green deposition, 6/18/97, pp. 154-55.
201. David Mercer deposition, 5/27/97, pp. 144.
202. David Mercer deposition, 5/27/97, pp. 139, 144-49.
203. David Mercer deposition, 5/27/97, pp. 139, 144.
204. David Mercer deposition, 5/27/97, pp. 147-48.
205. Ernest Green deposition, 6/18/97, pp. 169-70; 176. Green also, at first, denied having a copy of Wang's resume but was later shown documents indicating that he had faxed the resume to the Lehman Brothers' New York office and acknowledged he must have had the document.
206. Richard Sullivan deposition, 6/4/97, pp. 105-106.
207. Ernest Green deposition, 6/18/97, pp. 14, 271.
208. Sara Fritz, The Los Angeles Times, reprinted in The Commercial Appeal, 3/9/97.
209. Arkansas Democrat-Gazette, 9/25/97.
210. Ernest Green deposition, 6/18/97, p. 281.
211. Ernest Green deposition, 6/18/97, pp. 11-14.
212. Los Angeles Times, 3/26/97.

213. Ernest Green deposition, 6/18/97, p. 145.
214. Ernest Green deposition, 6/18/97, pp. 154-55, 176-77.
215. DNC Finance Executive Summary, 10/17/96, DNC 3081454
216. Ernest Green deposition, 6/18/97, pp. 194-95.
217. Ernest Green deposition, 6/18/97, pp. 155-160.
218. G 0017
219. Ernest Green deposition, 6/18/97, pp. 181-82; David Mercer deposition, 5/27/96, p. 140 and 6/11/97, pp. 22-23.
220. Ernest Green deposition, 6/18/97, p. 165.
221. Los Angeles Times, 3/26/97.
222. Ernest Green deposition, 6/18/97, pp. 180-81, 281-82.
223. Ernest Green deposition, 6/18/97, pp. 155-58, 163.
224. David Mercer deposition, 6/11/97, pp. 22, 32.
225. Los Angeles Times, 3/26/97.
226. Jerry Campana, 7/29/97 Hrg., p. 85.
227. Jerry Campana, 7/29/97 Hrg., p. 11; Washington Post, 12/18/96.
228. Jerry Campana, 7/29/97 Hrg., p. 11; Washington Post, 12/18/96. See also Jerry Campana, 7/29/97 Hrg., p. 21.
229. Jerry Campana, 7/29/97 Hrg., p. 21; Senator Specter, 7/29/97 Hrg., p. 42.
230. Jerry Campana, 7/29/97 Hrg., p. 22.
231. Senator Durbin, 7/29/97 Hrg., p. 103.
232. Jerry Campana, 7/29/97 Hrg., pp. 27-29, 63-64, 95. Campana also described the difficulty involved in tracing money transfers beyond the borders of the United States.